



# **Mid-Year Adjustments 2014 Segregated & Commingled Rates**



# Welcome

**Michael Vanderburg**  
**Recycling Specialist – Supervisor**  
**Division of Recycling - Operations Branch**



# Agenda

- Our Goal
- Background
- Statute
- Factors Affecting Rates
- Current / Proposed mid-year 2014 Rates
- Conclusion
- Questions / Comments





# **Our Goal**

**To ensure payment of the most accurate segregated and commingled rates feasible in order to properly compensate consumers and industry, and to protect the solvency and integrity of the California Redemption Value (CRV) Fund.**



# Background

In June 2013, CalRecycle held a public meeting with industry representatives to discuss the frequency of statewide rate reviews and adjustments:

- |                              |           |
|------------------------------|-----------|
| • Monthly                    | Too often |
| • Quarterly                  | Too often |
| • Once Annually (1/1)        | O.k.      |
| • Twice Annually (1/1 & 7/1) | Better    |



# Statute

## California Beverage Container Recycling & Litter Reduction Act

### Section: 14549.5 (b)

**“At least 60 days prior to the effective date of any new commingled rate, hold a public hearing, after giving notice, to make available to the public and affected parties the department's review and any proposed recalculations of the commingled rate.”**



# Factors Affecting Rates

## Market Factors:

- Container Production / Packaging
- Sales
- Returns for Recycling
  - # returned
- Consumer Behavior
  - Where CRV returned





# Proposed Rates





# Recycling Centers Rate

	Current Rate	Proposed Rate	Change
<b>Aluminum</b>	<b>\$ 1.58</b>	<b>\$ 1.59</b>	<b>+ \$ 0.01</b>
<b>Glass</b>	<b>\$ 0.104</b>	<b>\$ 0.103</b>	<b>- \$ 0.001</b>
<b>#1 – PET</b>	<b>\$ 1.06</b>	<b>\$ 1.10</b>	<b>+ \$ 0.04</b>
<b>#2 – HDPE</b>	<b>\$ 0.61</b>	<b>\$ 0.59</b>	<b>- \$ 0.02</b>
<b>#3 – PVC</b>	<b>\$ 0.45</b>	<b>\$ 0.52</b>	<b>+ \$ 0.07</b>
<b>#4 – LDPE</b>	<b>\$ 2.02</b>	<b>\$ 2.08</b>	<b>+ \$ 0.06</b>
<b>#5 – PP</b>	<b>\$ 0.60</b>	<b>\$ 0.62</b>	<b>+ \$ 0.02</b>
<b>#6 – PS</b>	<b>\$ 5.62</b>	<b>\$ 5.71</b>	<b>+ \$ 0.09</b>
<b>#7 – Other</b>	<b>\$ 0.31</b>	<b>\$ 0.31</b>	<b>\$ -</b>
<b>Bi-Metal</b>	<b>\$ 0.36</b>	<b>\$ 0.36</b>	<b>\$ -</b>



# Curbside Program-Commingled Rate

	Current Rate	Proposed Rate	Change
Aluminum	\$ 1.39	\$ 1.40	+ \$ 0.01
Glass	\$ 0.042	\$ 0.041	- \$ 0.001
#1 – PET	\$ 0.51	\$ 0.54	+ \$ 0.03
#2 – HDPE	\$ 0.04	\$ 0.04	\$ -



# Collection Program–Commingled Rate

	Current Rate	Proposed Rate	Change
Aluminum	\$ 1.48	\$ 1.47	- \$ 0.01
Glass	\$ 0.043	\$ 0.048	+ \$ 0.01
#1 – PET	\$ 0.65	\$ 0.67	+ \$ 0.02
#2 – HDPE	\$ 0.05	\$ 0.05	\$ -



# Reverse Vending Rate

	Current Rate	Proposed Rate	Change
Aluminum	\$ 1.61	\$ 1.62	+ \$ 0.01
Glass	\$ 0.108	\$ 0.109	+ \$ 0.001
#1 – PET	\$ 1.22	\$ 1.31	+ \$ 0.09





# Service Program–Commingled Rate

	Current Rate	Proposed Rate	Change
Aluminum	\$ 1.46	\$ 1.51	+ \$ 0.05
Glass	\$ 0.056	\$ 0.052	- \$ 0.004
#1 – PET	\$ 0.69	\$ 0.78	+ \$ 0.09
#2 – HDPE	\$ 0.07	\$ 0.06	- \$ 0.01



# Conclusion

- Our Goal
- Closing Comments



# Questions / Comments



**Thank you!**





# Contact Information:

**Mike Miller**  
Division of Recycling, Operations  
Branch Chief  
(916) 323-0713  
[mike.miller@calrecycle.ca.gov](mailto:mike.miller@calrecycle.ca.gov)

**Michael Vanderburg**  
Division of Recycling, Operations  
Market Statistics Section Supervisor  
(916) 327-2769  
[michael.vanderburg@calrecycle.ca.gov](mailto:michael.vanderburg@calrecycle.ca.gov)